## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION

LAURA FAUGHT and STEVEN FAUGHT,	)	CASE NO.
Ericiti The Giff and STE vErvi The Giff,	)	2:07CV1928-RDI
Plaintiffs,	)	
v.	)	
AMERICAN HOME SHIELD CORPORATION,	)	
Defendant.	)	

# PRELIMINARY OBJECTIONS TO PROPOSED SETTLEMENT AND NOTICE OF INTENT TO APPEAR AT FAIRNESS HEARING

COMES NOW, Objectors Michael McKerley, Kenneth R. Behrend and Pamela Behrend, holders of policies issued by American Home Shield, by and through their undersigned counsel of record, and hereby file these Preliminary Objections to the Proposed Settlement Of American Home Shield Corporation, and in support thereof, state as follows:

#### **PROOF OF CLASS MEMBERSHIP**

Michael McKerley, 1356 Starcross Drive, Vestavia Hills, Alabama 35216, (205) 223-5250, contacted the undersigned counsel upon receipt of the NOTICE OF CLASS ACTION AND SETTLEMENT. Mr. McKerley is a holder of a homeowner's warranty policy issued by American Home Shield.

Kenneth R. Behrend and Pamela Behrend, 1800 Willow Oak Drive, Wexford, Pennsylvania 15090, (412) 391-2515, contacted the undersigned counsel upon

receipt of the NOTICE OF CLASS ACTION AND SETTLEMENT. The Behrend's are holders of a homeowner's warranty policy issued by American Home Shield.

### **NOTICE OF INTENT TO APPEAR**

Objectors Michael McKerley, Kenneth R. Behrend and Pamela Behrend, (hereinafter "Objectors") hereby give notice they intend to appear, by undersigned counsel, at the Fairness Hearing that is presently scheduled to be held in this matter on Wednesday, March 10, 2010, before the Honorable R. David Proctor, in Courtroom 7A of the United States District Court for the Northern District of Alabama, to present legal arguments regarding their Objections. Objectors do not intend to offer documents into evidence or to call witnesses.

#### **OBJECTIONS**

The proposed Settlement of the Class Members and related claims is unfair, inadequate and unreasonable for the following reasons:

- 1. The Settlement Agreement and Notice are void as to the total value of the settlement being proposed for the Class. The estimated value need to be disclosed in order for this Court to decide a fair amount for attorneys' fees.
- 2. The basis for class actions are normally that it does not make sense to bring an individual action because it is not large enough to economically justify it but collectively for all members of the class they can justify it. Yet, here it appears

that the relief is if the Class Member who thought that the AHS contract was one that AHS would honor and now finds out that for whatever reason AHS is finding a disputed "loophole", the settlement now encourages a individual lawsuit to overcome this disagreement. This makes no sense.

- 3. The Class Relief Business Practice Charges is illusory. What kind of relief is that for the Class? AHS <u>might</u> make some changes to its operation if it feels so inclined.
- 4. Objectors reserve the right to object to the attorneys' fees once it is determined what real relief is being awarded to the Class.
- 5. Objectors hereby incorporate any and all other proper objections that may be filed in this matter.

WHEREFORE, Objectors hereby respectfully submit that this Court should withdraw its Order preliminarily approving this settlement, sustain said objections, and order that a new settlement be proposed for Class consideration.

DATED this 8th day of February, 2010.

/s/Frank H. Tomlinson

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Attorney for Michael McKerley, Kenneth R. Behrend and Pamela Behrend

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day electronically filed a true and correct copy of the above and foregoing, and service via CM/ECF has been made upon all parties who have entered appearances in this case by electronic means, this 8<sup>th</sup> day of February, 2010.

s/Frank H. Tomlinson

Frank H. Tomlinson